

# COUNTY COUNCIL OF PRINCE GEORGE'S COUNTY, MARYLAND

## 2003 Legislative Session

Resolution No. CR-24-2003  
 Proposed by Chairman Shapiro  
 Introduced by Council Members Shapiro, Hendershot, Dean and Peters  
 Co-Sponsors \_\_\_\_\_  
 Date of Introduction May 22, 2003

### RESOLUTION

1 A RESOLUTION concerning

2 The approval of the Fiscal Year 2003-2004 Operating and Capital Budgets  
 3 of the Washington Suburban Sanitary Commission and the Recommendation  
 4 of Water and Sewer Rates and Ad Valorem Tax Levies for the  
 5 Fiscal Year 2003-2004

6 For the purpose of adopting with amendments the Fiscal Year 2003-2004 Operating and Capital  
 7 Budgets of the Washington Suburban Sanitary Commission and the recommended Water and  
 8 Sewer Rates and Ad Valorem Tax Levies for the Fiscal Year 2003-2004.

9 WHEREAS, Section 1-204 of Article 29 of the Annotated Code of Maryland establishes a  
 10 procedure for the preparation, review and approval of the annual capital and operating budgets of  
 11 the Washington Suburban Sanitary Commission, and further provides for recommendations by  
 12 the Montgomery and Prince George's County Councils regarding the rates for water consumption  
 13 and sewer usage charges and the ad valorem tax levies of the Commission; and

14 WHEREAS, the Montgomery County Council on October 8, 2002, by Resolution No. 14-  
 15 1463 and the Prince George's County Council on October 29, 2002 by Resolution No. CR-72-  
 16 2002, established the following spending control limits for the Fiscal Year 2004 Water and  
 17 Sewer Operating and Capital Budgets of the Washington Suburban Sanitary Commission:

18 Water and Sewer Bill Increase	0.0%
19 New Water and Sewer Debt	\$ 121.6 Million
20 Water and Sewer Debt Service	\$ 144.1 Million
21 Water and Sewer Operating Fund Expenditures	\$ 371.0 Million; and

22 WHEREAS, on March 1, 2003, the Washington Suburban Sanitary Commission submitted

1 to the County Executives of Montgomery and Prince George's Counties its proposed capital and  
2 operating budgets for Fiscal Year 2003-2004; and

3 WHEREAS, the Proposed Capital and Operating Budgets for Fiscal Year 2004 submitted  
4 by the Washington Suburban Sanitary Commission were in compliance with all spending control  
5 limits established by the Prince George's and Montgomery County Councils; and

6 WHEREAS, the Commission forwarded to the County Executives of both Counties the  
7 record of the public hearings held by the Commission regarding its budget proposal; and

8 WHEREAS, the County Executives of Montgomery and Prince George's Counties  
9 transmitted their recommendations on the Commission's proposed budget, including the record  
10 of the public hearings held by the Commission, to the respective County Councils; and

11 WHEREAS, the Prince George's County Council, upon due public notice, held a public  
12 hearing on the Commission's proposed budget on April 8, 2003 at which interested persons were  
13 given an opportunity to be heard by the Prince George's County Council; and

14 WHEREAS, the Prince George's County Council, following review of said budgets,  
15 approved, proposed additions to, deletions from, increases and decreases from items contained in  
16 the proposed budgets and transmitted these proposed changes to the Montgomery County  
17 Council on May 6, 2003; and

18 WHEREAS, the Prince George's County Council received on May 6, 2003, from the  
19 Montgomery County Council its approved proposed additions to, deletions from, and increases  
20 and decreases from items in the Commission's proposed budgets; and

21 WHEREAS, on May 8, 2003, the Montgomery and Prince George's County Councils  
22 jointly reviewed the respective proposed additions to, deletions from, and increases and  
23 decreases regarding items in said submitted capital and operating budgets and further considered  
24 all proposed changes;

25 NOW, THEREFORE, BE IT RESOLVED by the County Council of Prince George's  
26 County, Maryland, that the following amounts and positions, or as much thereof as may be  
27 necessary to accomplish the purposes designated, are hereby approved for the budget of the  
28 Washington Suburban Sanitary Commission for the fiscal year beginning July 1, 2003 and  
29 ending June 30, 2004:  
30

	Operating	Capital
Salaries & Wages	\$ 72,235,000	\$ 17,929,000
Heat, Light & Power	12,016,000	0
Regional Sewage Disposal	33,990,000	0
Contract Work	0	101,391,000
Consulting Engineers	0	14,646,000
All Other Items	112,240,000	76,388,000
Debt Service	<u>218,099,000</u>	<u>101,000</u>
Total	\$448,580,000	\$210,455,000

Workyears Authorized: 1,463; and

BE IT FURTHER RESOLVED, that the Capital and Operating Budgets hereby adopted include the following change to the proposed budgets as recommended by the respective County Councils:

Decreased the Capital Budget by \$10,616,000 to reflect changes in Fiscal Year 2004 estimates for the Six-Year Water and Sewer Capital Improvements Program as detailed in Appendix A (Water) and Appendix B (Sewer) which are attached hereto and incorporated herein;

Decreased Operating Budget Debt Service by \$2,300,000 to reflect savings from bond refundings and reduced Blue Plains capital expenses;

Increased Operating Budget All Other Items by \$2,300,000 with the provision that the Commission will seek consensus from both Counties before expending these funds; and

BE IT FURTHER RESOLVED, that in implementing the operating budget, the Commission shall establish its work program priorities within the dollar and workyear levels approved herein, taking into consideration the recommendations approved by the Prince George's County Council at the May 8, 2003 Bi-County Council meeting; and

BE IT FURTHER RESOLVED, that the Commission in accordance with the actions and recommendations of the two Counties hereby approves budget amounts for salary enhancements consistent with State law; and

BE IT FURTHER RESOLVED, that the Commission is authorized to increase the water and sewer operating reserve by \$1.5 million; and

BE IT FURTHER RESOLVED, that in adopting its Fiscal Year 2004 Operating Budget the

1 Counties and the Commission recognize that although total operating debt service is  
2 \$218,099,000 and equals 48.6% of the total operating budget, water and sewer operating debt  
3 service, the portion of debt service supported by water and sewer rate revenues, is \$141,739,000  
4 or 38.2% of the water and sewer operating budget; and

5 BE IT FURTHER RESOLVED, that the Prince George's County Council joins with the  
6 Montgomery County Council in recommending to the Washington Suburban Sanitary  
7 Commission the following:

- 8 1. Rate for Water Consumption: zero increase
- 9 2. Sewer Usage Charge: zero rate increase
- 10 3. The Water and Sewer Use Charges will be based on a water production rate of 167  
11 million gallons per day; and

12 BE IT FURTHER RESOLVED, that any supplements to the Washington Suburban  
13 Sanitary Commission's Approved Fiscal Year 2004 budget shall be in accordance with the  
14 provisions of Section 1-204 of Article 29, Annotated Code of Maryland; and

15 BE IT FURTHER RESOLVED, that the Commission acknowledges the recommendations  
16 of the respective County governing bodies regarding certain policies, procedures, and practices  
17 and will take the following actions concerning them:

- 18 1. Obtain the approval of both County Councils before increasing operating expenditures  
19 above \$448,580,000.
- 20 2. Obtain the County Council's approval prior to making any transfer of funds from any  
21 of the approved expenditure categories within the operating and capital budgets in  
22 excess of five percent (5%) of the approved amounts. The amount approved for debt  
23 service is excluded from this transfer authority.
- 24 3. Furnish monthly status reports to each County Council and County Executive as to the  
25 fiscal and budgetary activities of the Commission pursuant to the Approved Operating  
26 and Capital Budgets, commencing with the end of the first quarter of the fiscal year.  
27 These reports shall be submitted not more than 45 calendar days after the close of each  
28 month.

Adopted this 22nd day of May, 2003.

COUNTY COUNCIL OF PRINCE  
GEORGE'S COUNTY, MARYLAND

BY: \_\_\_\_\_  
Peter A. Shapiro  
Chair

ATTEST:

\_\_\_\_\_  
Redis C. Floyd  
Clerk of the Council

**NOTE:** Appendix A and B are available in hard copy only.